

AGENDA ITEM NO. 1 A
 COUNCIL MEETING 4/7/2011

APPROVED BY



DEPARTMENT DIRECTOR

CITY MANAGER

April 7, 2011

FROM: PATRICK N. WIEMILLER, Director
Public Works Department

THROUGH: EFREN BAÑUELOS, Assistant Director *EB*
Public Works Department, Capital Management Division

BY: PHIL TARVIN, Assistant Construction Manager
Public Works Department, Construction Management Division

SUBJECT: APPROVE CONTRACT CHANGE ORDER NO. 9 FOR FRESNO CITY HALL
CHILLER REPLACEMENT PROJECT, PROJECT ID NO. PW00489

RECOMMENDATION

Staff recommends that the City Council approve Contract Change Order No. 9 for Fresno City Hall Chiller Replacement Project, Project ID No. PW00489.

EXECUTIVE SUMMARY

Change Order No. 9 for Fresno City Hall Chiller Replacement Project, Project ID No. PW00489 provides for a contract time extension of ninety one (91) working days. The proposed time extension is needed to account for delays attributed to an ISD administered contract that ran concurrently and controlled completion of work under this contract. Resolution No. 94-114 requires City Council authorization for time increases exceeding 30 days or 20 percent of the total contract time allowed under the contract. This change order also provides payment to the contractor for additional compensation related to extra work not covered under the original scope.

BACKGROUND

On July 30, 2009, the City Council awarded a contract to Lawson Mechanical Contractors in the amount of \$1,910,000.00 for the construction of the Fresno City Hall Chiller Replacement Project. The Notice to Proceed was issued October 1, 2009. The original Contract Completion date was May 7, 2010. To date eight (8) Contract Change Orders have been approved resulting in an increase to the Contract Price of \$65,485.00 [3.4%]. The current revised Contract Price is \$1,975,485.00. Extensions of time in the amount of twelve (12) work days have been added via Contract Change Orders with an additional six (6) work days added due to weather and the City furlough [2009]. Presently, the revised Contract Completion date is June 3, 2010.

This change order provides additional compensation to the contractor for increasing the size of the equipment canopy and installation of an electrical power and control circuit for a vibration safety switch at the cooling towers. The increase cost for these two items is \$15,004.32. The change order also deletes the bid item for the Dispute Review Board in the amount of \$15,000

since the item was not used. The net cost increase to the contract is \$4.32. The additional work provided by the contractor has been determined by staff to be additional work not covered under the original scope of work and is considered extra work.

This change order also provides a contract time extension of ninety-one (91) working days resulting in a revised Contract Completion Date of October 12, 2010. The time extension is needed due to work on the Computer Room Air Conditioning system as requested by ISD/Computer Services. Council Resolution No. 94-114 states that approval of a change order which provides for a contract time extension such as this is subject to prior authorization from the Council.

As originally designed, the project included installation of an updated version of the existing system which had fallen into disrepair. As the project bid advertisement approached, ISD/Computer Services requested that the design be changed to include an alternate cooling technology which it had been investigating. Public Works altered the bid documents to delete the computer room related work from the contract as directed except for the addition of higher capacity pumps and power supply panels needed for the ISD desired cooling system. Complete engineering details for the desired alternate system were not available at bid time. The bid opening for the overall project could not be delayed due to the failing condition of the existing building chillers. As a result, ISD contracted directly with a third party to provide and install the computer room cooling equipment. The contractor for this project would install needed supply piping, power and controls under a supplementary change order after details were provided and installations were completed by ISD's third party contractor.

ISD's third party contractor completed installations of equipment the first week of October, 2010. Immediately thereafter the contractor for this project was allowed to make final connections which were completed on October 12, 2010, thus extending the contract time by an additional ninety-one (91) work days.

This Contract Change Order lastly provides for an agreement with the contractor that any and all outstanding items, impacts and claims that may have existed are settled. It also grants waivers protecting the City from any claims for penalties related to prompt payment as well as claims of compensation for any Owner [City] caused delays.

This portion of Contract Change Order No. 9 also establishes October 12, 2010 as the date that the installation of all equipment was substantially complete.

FISCAL IMPACT

This contract change order has no fiscal impact on the General Fund. This contract change order does impact the Project Fund in the amount of \$4.32.

City of Fresno
PUBLIC WORKS DEPARTMENT
CONSTRUCTION MANAGEMENT DIVISION

1721 Van Ness Avenue - Fresno, CA 93721
 Phone (559) 621-5500

CONTRACT CHANGE ORDER NO. 9

CONTRACT AWARDED BY: CITY COUNCIL REDEVELOPMENT AGENCY INFORMAL

DATE OF AWARD Jul 30, 2009

PROJECT: FRESNO CITY HALL CHILLER SYSTEM REPLACEMENT SHEET 1 of 1

P.O. NO: 0000058699 PROJECT ID NO. PW00489 BID FILE NO. 2898

TO: Lawson Mechanical Contractors, Inc. 4626 E. Weathermaker Ave. Fresno, CA 93703, CONTRACTOR

You are hereby requested to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract.

NOTE: THIS CHANGE IS NOT EFFECTIVE UNTIL FULLY EXECUTED. Change requested by: **City of Fresno**

Description:

I. **CHANGES TO CONTRACT PLANS AND SPECIFICATIONS.**

A. Extend equipment canopy roof structure in accordance with LNA Dwg. No. S4.0 dated 6-18-10.
 Agreed Lump Sum Cost \$ 10,653.07

B. Install conduits, wiring and all incidentals as required to provide for an operational Cooling Tower vibration switch circuit and as detailed in the City's letter dated June 16, 2010 with attachments.
 Agreed Lump Sum Cost \$ 4,351.25

C. Delete unutilized Bid Item 4 - Dispute Review Board in accordance with Division II, page 2.26 of the Contract.
 Contract Price Reduction \$ (15,000.00)

D. Establish March 8, 2010 as the date of commencement for 5-year extended warranty detailed in Division V, Section 15650 / 2-06 / B. / 10. / b. of the Contract.

II. **CONTRACT PRICE**
 Increase to contract price shall include all costs for the above-noted work and shall be considered full compensation for all materials, equipment, applicable mark-ups, and overheads.
 Net Increase to Contract Price this Change Order..... \$ 4.32

III. **CONTRACT TIME**
 Extend Contract Time by ninety-three (93) working days to account for time required to complete physical installations of original Contract work and work added by Contract Change Orders 1 through 8 inclusive.
 Total Extension Of Contract Time 91 Working Days

IV. **Project Closeout Agreement – Agreement reached to settle the outstanding items associated with the construction of the Fresno City Hall Chiller Replacement Project.**

Contractor and City agree that this settles any and all outstanding items, impacts, claims, etc., associated with the construction of the Fresno City Hall Chiller Replacement Project. Contractor hereby waives any right to prompt payment penalties, if any, under the California Public Contract Code, if applicable, or as otherwise may be related to the Project. The Contractor hereby waives any right to additional compensation for Owner caused delay periods, if any, associated with the Work on this Project.

Subject to the above waivers, it is currently agreed by both parties that installation of all equipment on this Project was substantially completed on or before October 12, 2010.

Cost of this Change Order		Increase Decrease	STATEMENT OF CONTRACT TIME	
Estimated	\$ 4.32		NUMBER OF DAYS	DATE
Exact	<input checked="" type="checkbox"/>			
Original Contract Price	\$ 1,910,000.00		Date of Notice to Proceed	Oct 1, 2009
Approved Cost Changes to Date	\$ 65,485.00		Contract <input checked="" type="checkbox"/> Working Calendar Days	150
Total of all Contract Changes including this Change Order	\$ 65,489.32		Computed Date for Completion	May 7, 2010
			Time extension days this CCO	91
			Total time extension days all CCO's	103
			Weather Days through 7/1/10	1
			Suspended Days (City Furlough)	5
Net change in Contract Price is of the original Contract Price	3.4%		Extended Date for Completion	Oct 12, 2010
Revised Contract Price	\$ 1,975,489.32		Substantial Completion	Oct 12, 2010

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the price shown above.

Accepted Date: 3/16/11 Contractor: Lawson Mechanical Contractors
 Signed By: [Signature] Title: DAVID LAWSON Vice President

If the contractor does not sign acceptance of this order, his attention is directed to the requirements of the specifications as to proceeding with the ordered work.

Submitted By: Karl Lenhof Inspector [Signature] Approval Recommended: [Signature] City Construction Manager [Signature] Date: 3/14/11

Authorized: Chief Administrative Officer
 Ex-officio Executive Director of the Redevelopment Agency Date: _____
 (if change orders or total of change orders exceed 5 percent of contract price)

Authorized: City Council Redevelopment Agency Minutes of Meeting Dated: _____
 (if change order or total change orders exceed 10 percent of contract price or if individual change order exceeds Fresno City Charter limit or Section 33422 Health and Safety Code for Agency contracts.)

Approved: Assistant Public Works Director
 Engineer for the Redevelopment Agency Date: _____

c. Mark Vester, Project Manager